

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
W. R. GRACE & CO., <u>et al.</u> , ¹)	Case No. 01-1139 (JJF)
)	
Debtors.)	(Jointly Administered)

ORDER APPROVING THE DEBTORS' ENTRY INTO THE CONSENT DECREE

Upon the motion (the "Motion")² of W. R. Grace & Co. - Conn. and Kootenai Development Company, debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), seeking the entry of an Order approving the Debtors' execution of, and compliance with, the Consent Decree, pursuant to 11 U.S.C. §§ 105 and 363 and Rule 9019 of the Federal Rules of Bankruptcy Procedure; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties-in-interest; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue of this proceeding and this Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been given; and after due deliberation and cause appearing therefor; it is hereby

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-13 Inc., Grace A-11 II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Turpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guánica-Caribe Land Development Corporation, Hanover Square Corporation, Honuco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc.), Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

² Capitalized terms not defined herein shall have those meanings ascribed to them in the Motion.

FOUND AND DETERMINED THAT the Debtors have articulated good and sufficient reasons for consummating the Consent Decree.³

NOW, THEREFORE, IT IS

ORDERED that the Motion is granted; and it is further

ORDERED that the Debtors' execution and compliance with the Consent Decree is hereby approved; and it is further

ORDERED that pursuant to the Consent Decree, the Debtors are authorized to pay the \$2,750,000 necessary to fund the SEP; and it is further

ORDERED that pursuant to the Consent Decree, the EPA shall have an allowed prepetition unsecured claim of \$71,000 against the Debtors' estates; and it is further

ORDERED that upon the Debtors' complete performance of their obligations under the Consent Decree, the Debtors shall have fully satisfied, and the Debtors shall be released and discharged of, all civil liability for the violations alleged in the Complaint; and it is further

ORDERED that the Debtors are authorized to take whatever action as may be necessary to consummate the transactions contemplated by the Consent Decree, substantially in the form of Exhibit A attached to the Motion; and it is further

ORDERED that the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of this Order; and it is further

³ Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052. Statements made by the Court from the bench at the hearing shall constitute additional conclusions of law and findings of fact as appropriate.

ORDERED that this Order is effective immediately upon its entry.

Wilmington, Delaware

Dated: 1/3/02

JK Farnan, Jr.
~~Joseph J. Farnan, Jr.~~
United States District Judge
BK